As per the records of the Department, the total number of effective income-tax assessees as on 31st March 1988 is 65,25,164.

**Measures to cut down wasteful expenditure**

2439. SHRI SHANKARRAO NARAYANRAO DESHMUKH :

Will the Minister of FINANCE be pleased to state what measures have been taken by Government during the past six months to cut down wasteful expenditure and how much money has been saved on this account, with details thereof ?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B. K. GADHVI) : Central Ministries/Departments have been advissed to eliminate is essential and low priority items of expenditure through a process of prioritisation of their programmes and activities. Ministries have also been advised to effect economy in expenditure in various areas. These include restrictions on travel expenses, entertainment, internal seminars and conferences, publications, purchase of furniture/furnishings fuel consumpton, etc. Effect of these measures will be reflected in the Revised Estimates 1988-89 which will be presented to Parliament alongwith the Budget for 1989-90.

**Advanc plan assistance to nationalise Shree niwas Cotton Mills Limited, Bombay and Khandesh Spinning and Weaving Mills Limited**

2440. SHRI SURESH KALMADI : Will the Minister of TEXTILES be pleased to state :

(a) whether Maharashtra Government has submitted a proposal to the Planning Commission for grant of Advance Plan Assistance to nationalise Shreeniwas Cotton Mills Limited, Bombay and Khandesh Spinning and Weaving Mills Limited; and

(b) if so, what action is contemplated in the matter ?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI RAFIQUE ALAM) : (a) Yes, Sir.

(b) The matter is under consideration.

**Exemption from income tax payment for poultry sector**

2441. SHRI SURESH KALMADI : Will the Minister of FINANCE be pleased to state :

(a) whether Government have received representations regarding exemption from payment of income-tax by the poultry sector; and

(b) if so, what is Government's reaction thereto?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI AJIT PANJA) : (a) Yes, Sir.

(b) The representations were examined in detail and the Government has not been able to agree to the requests made in this regard.

**Investment Allowance scheme for Industries**

2442. SHRI HARVENDRA SINGH HANSPAL : Will the Minister of FINANCE be pleased to state:

(a) whether Government have recently announced the Investment Allowance Scheme for selected industries in the country;

(b) if so, what are the details of the said Scheme; and

(c) to what extent the industries in the country would be benefited by this Scheme ?

THE MINISTER OF STATE IN THE MINISTRY OF REVENUE IN THE MINISTRY OF FINANCE (SHRI AJIT PANJA) : (a) Yes, Sir.

(b) The Scheme of Investment Allowance will be available as an option in place of the existing Investment Deposit Account and the option once exercised by the taxpayer cannot be changed for the next five

assessment years. The rate of investment allowance is proposed to be twenty per cent of the cost and shall be allowed in respect of the new ship or new aircraft acquired after 31st March, 1988, or new machineries or new plants installed after 31st March, 1988, for the purposes of business of generation or distribution of electricity or any other form of power or for use in a small scale industrial undertaking or in any other industrial undertaking for the purposes of construction manufacture or production of any article or thing not being an article or thing specified in the Eleventh Schedule to the Income-tax Act. The other provisions relating to the Scheme will be on the same lines as they were prior to its withdrawal by the Finance Act, 1986.

(c) Since the deduction will be based on the cost of the new plant or machinery installed or the new ship or new aircraft acquired, it will encourage investment in the industrial sector.

**Excise duty concession on Diesel oil to small mechanised fishing crafts**

2443. SHRI PRAMOD MAHAJAN :
SHRI SURESH KALMADI :

Will the Minister of FINANCE be pleased to state:

(a) whether larger trawlers are exempted from payment of excise duty on diesel and smaller mechanised fishing crafts do not enjoy such facility;

(b) if so, what are the reasons for such discrimination;

(c) whether Maharashtra Government has requested for waiving excise duty on diesel for small mechanised fishing crafts; and

(d) if so, what are the details thereof and what is Government's reaction thereto ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI AJIT PANJA): (a) and (b) Concessional rates of excise duty are available to diesel oil supplied for use in deep sea fishing vessels of not less than 150 B.H.P. and of length not less than 13.7 metres. The question of extending the concession to smaller fishing vessels was examined in the past, but it was not found feasible, because of serious administrative difficulties and risk to revenue.

(c) No such request from the Government of Maharashtra has been received recently.

(d) Does not arise.

**Modification of Advance Licensing Scheme**

2444. SHRI HARVENDRA SINGH HANSPAL: Will the Minister of COMMERCE be pleased to state :

(a) whether Government propose to bring modifications in the Advance Licencing Scheme;

(b) if so, what are the details of the modifications likely to be made;

(c) whether the intermediate manufacturers and exporters will get any benefit due to these modifications; and

(d) if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSHI): (a) and (b) The Import-Export Policy is kept under constant review and necessary modifications are made as and when required. These modifications are announced in the form of public Notice, copies of which are also sent to Parliament Library.

(c) and (d) The Intermediate Advance Licensing Scheme was substantially modified vide public Notice No. 25-ITC(PN)/88—91 dated 11th July, 1988. This was done to make the scheme operationally simpler for the intermediate manufacturers and the final exporters.